

# MANUFACTURING EXTENSION PARTNERSHIP

## Success Stories from the Field

### Selkirk Metalbestos Inc

Idaho TechHelp

#### Selkirk Metalbestos Lean for a Change

##### Client Profile:

Selkirk Metalbestos, Inc., is a leading manufacturer of registers, grilles, diffusers, chimney, and gas venting product lines that are ranked among the best in the HVAC industry. Selkirk is committed to being an integrated and diversified "best in class" manufacturer of venting solutions, growing the business profitably through innovation, continuous improvement, and acquisition. Founded in San Francisco in 1925, Selkirk L.L.C. is owned by Tinicum Capital Partners, headquartered in Dallas, Texas. Selkirk's Nampa, Idaho, plant built in 1977, employs 150 people.

##### Situation:

Selkirk's forecasts and production schedules were based on past order activity leading to large production runs, inefficient use of work cells, excessive WIP/inventory, and an inefficient warehouse/delivery operation. The company carried large stocks of inventory to meet mass production demands and held vast quantities of finished product to meet fluctuating customer demand. Selkirk's mass manufacturing mentality led the company to create large stocks of inventory and vast quantities of finished product to meet fluctuating customer demand. The company contacted Idaho TechHelp (TechHelp), a NIST MEP network affiliate, for assistance.

##### Solution:

The TechHelp/Selkirk Lean Team introduced Lean to a single production cell that served as Selkirk's Lean pilot project and proving ground. Selkirk took the lessons learned during the pilot project and gradually rolled Lean out factory-wide. Selkirk's Lean transformation included workforce training in Lean Manufacturing Principles, Value Stream Mapping, implementation of a Kanban system, Setup Reduction, Cellular Flow, Visual Workplace, 5S, TPM and regular Kaizen Events. The exceptional vision, courage, flexibility, hard work, and dedication of the entire Selkirk Lean Team led to a successful and ongoing Lean transformation.

##### Results:

- \* Improved productivity by 25 to 40 percent.
- \* Reduced scrap by 15 to 30 percent.
- \* Reduced setup time on key machines by 50 to 75 percent.
- \* Reduced batch sizes from 250-500 to one-piece flow matching production to customer demand.
- \* Reduced lead times for finished product from 3 to 5 weeks to 3 to 5 days.
- \* Lowered inventory levels from \$3 million to \$1.25 million.
- \* Created a three-fold improvement in inventory turns.
- \* Eliminated the need for a \$30,000 per year warehouse facility.
- \* Produced cost savings of \$15,000 due to reduced WIP, increased inventory turnover, and reduced inventory.

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**Testimonial:**

"Prior to TechHelp, Selkirk Nampa's mass production mentality toward manufacturing led to plant inefficiencies and cost control issues that troubled our new ownership team. TechHelp helped Selkirk develop increased focus and attention to the principles of lean manufacturing that allowed us to make improvements in efficiency and cost control envisioned by management."

Kevin Redd, Production Manager